

UNITED PRESS INTERNATIONAL
30 January 1987JUDGE UPHOLDS DRUG SUIT AGAINST 29
MIAMI, FL

A federal judge has refused to dismiss a suit by two freelance journalists charging 29 people with operating a scheme to sell cocaine to Americans and use the profits to arm and train the Contra rebels.

A U.S. District James Lawrence King denied a motion Friday by the defendants, who include Nicaraguan rebel leader Adolfo Calero, former CIA officials Theodore Shackley and Thomas Clines, and retired Maj. Gen. John K. Singlaub, to dismiss the suit.

The suit was filed in May 1986 by two freelance journalists, one of whom was injured by a bomb which exploded at a jungle press conference called by former rebel leader Eden Pastora. Five people died and more than 20 were injured in the Memorial Day 1984 bombing at La Penca, Nicaragua, on the Costa Rican border.

J The defendants asked the judge to require the plaintiffs, Tony Avirgan, who was wounded, and his wife, Martha Honey, to present probable cause for their \$22.5 million damage suit.

"They were challenging us to present the evidence before court-authorized discovery," said a spokeswoman at the Christic Institute, a Washington-based public interest law firm that represents the husband and wife team. "We did and the judge found in our favor."

The suit charges the defendants with operating a scheme to sell cocaine to Americans and use the profits to arm and train the Contras.

It specifically charges that the 29 defendants constituted an ongoing criminal enterprise engaged in a pattern of racketeering activities as defined under the RICO criminal conspiracy statute.

The 1984 bombing was a plot orchestrated by a secret team to assassinate Pastora, who allegedly was targeted because he refused to join with the Nicaraguan Democratic Force, the largest Contra army, headed by Calero.

Pastora left the Contras in May 1986.

The suit was filed before the recent revelations about plans, apparently orchestrated by National Security Council aide Lt. Col. Oliver North, to arm the Contras using profits from U.S. arms sales to Iran during the time when Congress had outlawed military aid to the Contras.

When asked if the recent scandal may have helped the plaintiffs' suit, the Christic Institute spokeswoman said King would have made the same ruling last year.

"Even in the absence in the environment of the scandal that's erupted we would have enough to support the case," she said.

Other defendants include John Hull, American owner of a Costa Rica ranch that allegedly served as a "staging area" for CIA-supplied weapons; Maj. Gen. Richard Secord, former deputy assistant secretary of defense, who was reported to be the recipient of money from arms sales to Iran; Iranian-born Albert Hakim, said to have been the financial mastermind of the scheme to aid the Contras with profits from U.S. arms sales to Iran.